

DESTINATION:

Retirement

How Do You Know You're Ready to Retire?



Consider the following before making a final decision:

- Gather information on all of your benefits, including Social Security, at www.ssa.gov.
- Review your current living expenses and project what these will be at retirement.
- Anticipate new or recurring expenses, such as car payments, medical bills and home repairs.
- If you have other investments, consider when the funds will be available, along with the

withdrawal options and tax implications.

- Think about your tax situation and how much you will be required to pay in income taxes.

Now, carefully choose a retirement date based on your goals. Keep in mind the amount of time there will be from your last pay check to your first monthly benefit payment. If retirement is further away for you, consider the retirement

savings options listed on Page 2 of this newsletter.

Visit our Web site at www.perf.in.gov for more information on retirement planning, the *Bridge to Retirement* process, and specifics about your plan's eligibility requirements.

PERF counselors are also available to meet with you to answer your retirement questions. Call (888) 526-1687 to set up a counseling session.

You've worked all your life and you're ready to retire. Although you may feel this way, are you certain you're ready financially?

Plan Name	Eligibility Requirements
1977 Police Officers' and Firefighters' Pension and Disability Fund	<ul style="list-style-type: none"> ■ At least age 52 with 20 years of service
Judges' Retirement System	<ul style="list-style-type: none"> ■ Age 65 with at least eight years of service, or ■ "Rule of 85" — age + years of service = 85 (minimum retirement age of 55)
State Excise Police, Gaming Agent, Gaming Control Officer and Conservation Enforcement Officers' Retirement Plan	<ul style="list-style-type: none"> ■ "Rule of 85" — age + years of service = 85 (minimum retirement age of 55), or ■ At least age 50 with 25 years of service
Prosecuting Attorneys' Retirement Fund	<ul style="list-style-type: none"> ■ At least age 62 with eight years of service

How much will you need to retire?

Will your PERF, Social Security benefits (if eligible) and personal savings

be enough to get you through your retirement years?

Determine how much you may need to maintain your current

lifestyle after you retire.

■ The Social Security Administration Web site at www.ssa.gov/estimator/ has an online retirement estimator available to the general public.

■ 1977 Fund members can visit PERF's Web site at www.perf.in.gov to access the online retirement benefit estimate calculator. It will provide a reasonable estimation of a future benefit.

■ 1977 Fund members can also review their Annual

Member Statement, which includes current years of service.

If you work for state or local government, your employer may offer other retirement plans in addition to PERF. Check with your employer to determine what options are available to you.

If your employer doesn't offer retirement plans in addition to PERF, you may consider a Traditional or Roth IRA, or other savings and investments. For more information, consider seeking advice from a qualified financial advisor.



Retirement savings options: (not administered by PERF)*

457 (b)	401(k)	403 (b)	Traditional IRA	Roth IRA
Funded through pre-tax payroll deductions; taxes are paid when withdrawn. Participants usually include local and state government.	Funded through pre-tax payroll deductions; taxes are paid when withdrawn. Participants usually include those working in the private sector.	Funded through pre-tax payroll deductions; taxes are paid when withdrawn. Participants usually include public education organizations and non-profit organizations.	An individual retirement account where contributions are tax deductible in the year in which they are made. Contributions are tax-deferred until withdrawn.	An individual retirement account where contributions are not tax deductible. Withdrawal of earnings are tax-deferred if rules and regulations are followed.

*For additional information regarding retirement savings options, contact your financial advisor.



Q&A – Ask a Consultant

Q. I plan to retire from my PERF-covered position at the end of the month. My employer has agreed to re-hire me in the same job after 30 days. Is this legal?

A. No. Federal law prohibits retirements in which a member has a formal or informal agreement with a PERF employer to become re-employed in a position after retirement. If it is determined that you have entered into such an agreement, your application for retirement benefits will be withdrawn and you will be required to repay the fund for any benefits received.

Q. As a member of the 1977 Fund or Excise, Gaming and Conservation Plan, can I roll over my lump sum DROP amount into another qualified plan?

A. Yes. You have three options.

Option 1: You can have your lump sum DROP benefits rolled over to an eligible retirement plan or IRA.

Option 2: You can roll over the non-taxable portion of your DROP amount (post contributions to your retirement).

Option 3: You can receive a lump sum amount paid directly to you.

Your PERF retirement services consultant can explain how PERF withholds taxes. You should consult a tax advisor for further information regarding the taxes on your rollover options.

1977 Fund

Annual Member Statements Address Retirement Planning

Annual Member Statements for the 1977 Fund will be mailed to fund members by late summer. The statements are aimed at filling a need reported by many members for more retirement planning information.

Similar to annual Social Security Statements, the mailing will provide 77 Fund members with their current years of service.

The statements address the results of a recent survey in which 70 percent of the system's members wanted more information about preparing for retirement.

PERF offers individual counseling and workshops throughout the state. Members with questions regarding their statements, or wishing to arrange a workshop, may e-mail PERF at questions@perf.in.gov or call toll-free at (888) 526-1687.

Book a Meeting to Learn About Your Plan

Retirement services consultants are available to make presentations throughout Indiana to members of the 1977 Police Officers' and Firefighters' Pension and Disability Fund at the request of your employer. Presentations are generally 45 minutes to one hour and include time for questions and answers. Topics covered include: membership, service credit, estimating your benefit, DROP benefits, distributions, retirement options, working after retirement, legislative updates, and member and employer questions.



Jim Neddeff
Retirement Services
Consultant

Based in Fort Wayne, Jim covers the northern region of the state. If you live in that area and would like a face-to-face counseling session with him, please call (888) 526-1687 to schedule an appointment.

**Call PERF toll-free at
(888) 526-1687 to set
up a counseling
session.**



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PERF Shows Significant Gains in Customer Service

Customer service scores at the Indiana Public Employees' Retirement Fund improved by more than 30 percent since 2004, placing PERF among the top pension plans in national benchmarking research. Read more on our Web site at www.perf.in.gov.

Legislative Changes and How They Affect You

There was no Cost of Living Adjustment (COLA) increase approved for 1977 Fund members. A complete summary of the approved 2009 legislation by plan is on our Web site at www.perf.in.gov.

Dates to Remember

Here are some dates for submitting retirement applications to PERF. You can find more Dates to Remember online at www.perf.in.gov.

If your retirement date is:	Apply by:
Dec. 1, 2009	Sept. 1, 2009
Jan. 1, 2010	Oct. 1, 2009
Feb. 1, 2010	Nov. 1, 2009
March 1, 2010	Dec. 1, 2009

PERF Retirees Play Big Role in Hoosier Economy

Benefit payments from PERF, Indiana's largest public pension fund, had a \$902 million impact on the Hoosier economy while supporting more than 11,000 jobs. More details can be found by viewing the Web site link at www.perf.in.gov.



We are committed to serve — through exceptional customer service — our employers, our members and their families, in achieving their retirement goals and financial security.

Executive Director
Terren B. Magid

Governor
Mitch Daniels

Every attempt has been made to verify that the information in this newsletter is correct and up-to-date. Published content does not constitute legal advice. If a conflict arises between information in this publication and the law, the applicable law shall apply.